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REVIEW AND EVALUATION OF WORK PROGRAMMES (MID-TERM)

Interim Report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries to the Trade and Development Board

GE.94-51343

INTRODUCTION

1. In September 1992, the Trade and Development Board decided that, as part of the preparatory work for the review and evaluation of the work programme of the intergovernmental machinery of UNCTAD, in the context of the mid-term review called for by UNCTAD VIII, the Board and each of its subsidiary bodies should assess the extent to which effect had been given to the relevant recommendations of UNCTAD VIII by all the entities to which they were addressed, and consider such further action as might be appropriate.

2. Pursuant to "A New Partnership for Development: The Cartagena Commitment", adopted at the eighth session of the Conference, and on the basis of Board decision 398 (XXXVIII) which sets out in Annex C the terms of reference of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries, three sessions of this Group were held, respectively, from 14 to 18 December 1992, from 22 to 26 November 1993 and from 28 February to 4 March 1994. A fourth (final) session of the Group is scheduled for 4 to 8 July 1994.

3. Paragraph 1 of the terms of reference of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries called on it "to analyse the prospects for, and examine ways of, expanding the trade opportunities of developing countries for the diversification and growth of their export supply capability and for the enlargement and improvement of their export market opportunities" (cf. TD/B(XXXVIII)Misc.5).

SESSIONS OF THE GROUP

A. First session

4. The first session of the Group was held in December 1992 and was devoted principally to identifying the issues most relevant to the expansion of trading opportunities for developing countries and the establishment of a corresponding work programme. To assist the Ad Hoc Working Group in this task, the UNCTAD secretariat had prepared a report (TD/B/WG.4/2) identifying a number of issues falling under the terms of reference.

5. The Group was able to reach a consensus on its work programme and agreed to "undertake an analysis of the prospects for, and examine ways of, expanding the export supply capabilities of developing countries and improving their export market opportunities with a view to elaborating policy recommendations for implementation at the national and international levels". The work programme of the Group is contained in the report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries on its first session (TD/B/39(2)/15 - TD/B/WG.4/3, annex II).

6. With regard to market opportunities in particular, the Ad Hoc Working Group agreed to analyse and identify export market opportunities which are a consequence of developments such as trade measures, environmental measures, structural adjustment policies, the results of the Uruguay Round, regional integration arrangements and restrictive business practices in international trade.

B. Second session

7. Based on the agreed work programme, the Ad Hoc Working Group held its second session in November 1993. The Group had a broad exchange of views on national experiences, involving written and oral presentations by some 20 countries representing developing, developed and transitional economies, in order to identify national measures, incentives and policies for enhancing the competitiveness of sectors and industries with an export potential, as well as to identify ways of improving the export market opportunities of developing

countries. With regard to market opportunities, the Group held an in-depth discussion on: the impact of environmental policies and measures on trading opportunities; structural adjustment policies and their implications for the export opportunities of developing countries; and the impact on the trading opportunities of developing countries resulting from restrictive business practices in international trade. The preliminary conclusions drawn from the Group's discussion have been reflected in the Chairman's summary contained in the report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries on its second session (TD/B/40(2)/4 - TD/B/WG.4/8, annex II).

8. There had been a consensus from the first session that, since the results of the Uruguay Round were likely to have major implications for the market opportunities of developing countries and for domestic policy options to promote export sector development and trade, the Ad Hoc Working Group could not usefully conclude its work without having taken those results into consideration. Accordingly, in view of the timing of the completion of the Uruguay Round, the Ad Hoc Working Group at its second session agreed by consensus to recommend to the Trade and Development Board to extend the period of the Group's mandate to the end of June 1994 in order to allow it to complete its work. The fourth (final) session of the Group will thus be devoted to a consideration of the results of the Uruguay Round and their effects on the trading prospects of developing countries, and to the preparation of the Group's final report to the Trade and Development Board.

9. The Group also agreed to request participants in the Uruguay Round to provide the UNCTAD secretariat at the earliest date feasible with final lists of concessions made in the Uruguay Round, in order to allow the secretariat to prepare the background analyses necessary for the Group's consideration.

C. Third session

10. The third session of the Ad Hoc Group was held from 28 February to 4 March 1994. The Group continued its discussion of issues in accordance with its work programme, focusing on: analysis of global trends in the world economy affecting the trade opportunities of developing countries, with the assistance of a panel of experts; consideration of additional national experiences (six additional countries/groups); consideration of technical cooperation needs and activities for enhancing the trading opportunities of developing countries; and further consideration of the implications of environmental measures and regional integration arrangements for the trading opportunities of developing countries. The conclusions drawn from the Group's discussion as summarized by the Chairman are contained in the report of the Ad Hoc Working Group on Expansion of Trading Opportunities for Developing Countries on its third session (TD/B/40(2)/15 - TD/B/WG.4/11, annex I).

ASSESSMENT

A. Scope of the Ad Hoc Group's work

11. The work programme which the Ad Hoc Group determined on the basis of its terms of reference had identified the issues most relevant to the expansion of trading opportunities of developing countries. Given the range of issues pertinent to the trading opportunities of developing countries which the Group had had to consider, it was felt that the Group had not had enough time to consider some issues in sufficient depth. The Group had had in effect the period between December 1992 and May 1994 to complete its work. Taking into consideration the timing of the completion of the Uruguay Round, the Group agreed that a fourth session, now scheduled for 4 - 8 July 1994, was necessary in order to allow the Group to complete its work.

B. Country presentations

12. The Group had had an interesting and very useful exchange of national experiences concerning measures, incentives and policies for enhancing the competitiveness of sectors and industries with an export potential as well as ways of identifying and responding to market opportunities. Although it was sometimes difficult to perceive the commonality in country experiences, owing to the variety of country presentations, nevertheless the exchange of views in the Group had provided a clear picture of what successful exporting countries
had done to enhance their export capabilities and to take advantage of export market opportunities.

13. It was felt that an attempt by the UNCTAD secretariat to synthesize and draw out lessons from the country presentations of developing countries would be useful and the results should be widely disseminated.

C. Attendance and the interest shown in the work of the Ad Hoc Group

14. The level of attendance reflected the keen interest in the subject matter - expansion of trading opportunities for developing countries - for a considerable number of countries. Expansion of the trade of developing countries was considered to be crucial for their economic development. The attendance of experts from capitals had been low, however, perhaps owing, inter alia, to the financial constraints on many Governments of developing countries, particularly the least developed countries, and to the fact that many countries had trade experts based in Geneva.

D. Documentation

15. The Group had been greatly assisted in its work by reports of a high quality provided by the secretariat and other international bodies.

E. Use of panels

16. At the request of the Group, the secretariat had invited experts to assist the Group in its analysis of global trends in the world economy and the implications for the trading opportunities of developing countries. The panel of experts had been very useful for the work of the Group. On the basis of this experience, observations could be made as follows. Panels should, as far as possible, have balanced representation (geographical, professional background, etc.) and reflect the concerns of all groups of countries. To maximize the inputs of panels to the work of the Group, efforts should be made to ensure more interaction and discussion between panelists and members of the Group. Advance circulation of presentations to be made by panellists would also be helpful in this regard.

F. Follow-up

17. In terms of the outcome of the Ad Hoc Group's work, the objective was to identify opportunities and recommend ways to expand the exports of developing countries with a view to elaborating implementable policy recommendations for action at the national and international levels.

18. While the Group will have done very useful work by the end of its mandate, it seemed unlikely that all issues of major relevance to the trading oppportunities of developing countries will have been dealt with satisfactorily. It was therefore necessary to envisage how to follow up and give further consideration to these issues in UNCTAD. In addition, there would be new issues emerging after the completion of the Uruguay Round of major relevance to the trading opportunities of developing countries which would need to be considered in UNCTAD.